



MPS Limited

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National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot no. C/1,
G Block, Bandra - Kurla Complex, Bandra (East),
Mumbai - 400 051, India

Symbol: MPLSLTD

ISIN: INE943D01017

BSE Limited

Department of Corporate Services
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001, India

Scrip Code: 532440

ISIN: INE943D01017

Dear Sirs,

Sub: Transcript of the Earnings Conference Call inter-alia on the Un-Audited Financial Results of the Company for the Third Quarter (Q3) and Nine Months ended on 31 December 2025

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of the Earnings Conference Call, held on Monday, 02 February 2026, at 05:00 P.M. (IST), inter-alia on the Un-Audited Financial Results of the Company for the Third Quarter (Q3) and Nine Months ended on 31 December 2025.

The Transcript is also being made available on the Company's website, www.mpslimited.com under the Investors section.

This is for your kind information and records.

Yours Faithfully,
For **MPS Limited**

Raman Digitally signed
by Raman Sapra
Sapra Date: 2026.02.07
14:49:25 +05'30'

Raman Sapra
Company Secretary and Compliance Officer

Encl: As Above

www.mpslimited.com



“MPS Limited
Q3 & 9M FY'26 Earnings Conference Call”

February 02, 2026



MANAGEMENT: **MR. RAHUL ARORA – CHAIRMAN AND CEO**
MS. PRARTHANA AGARWAL – CHIEF FINANCIAL OFFICER
MR. SREENIVAS TV – CHIEF OPERATING OFFICER
MR. DAVID GOODMAN – CHIEF GROWTH OFFICER
MR. RODNEY CHARLES BEACH – PRESIDENT, CORPORATE LEARNING BUSINESS
MS. CHRISTINE MIRANDA – SENIOR VICE PRESIDENT, RESEARCH SOLUTIONS

Moderator: Ladies and gentlemen, good day, and welcome to the Q3 and 9 months FY'26 Earnings Conference Call of MPS Limited. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Arora, Chairman and CEO. Thank you, and over to you, sir.

Rahul Arora: Thank you. Good evening from Singapore, and a warm welcome to our Q3 FY'26 earnings call. Today on the call I have with me, Prarthana Agarwal, CFO of MPS; Sreenivas T.V., COO of MPS; David Goodman, Chief Growth Officer; and Rod Beach, President, Corporate Learning Business. Prarthana joins us from our corporate office in Noida, Sreeni from Bengaluru, David from Austin, Texas, and Rod from Baar in Switzerland.

Prarthana will kick things off in our opening segment today by discussing our financial performance. Then, Sreeni will update us on our Research Solutions business segment. Sreeni will then hand it over to David to help you understand the drivers of the remarkable growth in our Education business. Rod will discuss the progress in our Corporate Learning business segments. Finally, I will provide an update on key strategic initiatives before opening the call to questions.

Let's get going. Over to you, Prarthana.

Prarthana Agarwal: Thanks, Rahul. The first 9 months of FY'26 demonstrate that we are successfully executing our long-term growth strategy despite the challenging "holding quarter" in Q3. Our year-to-date trajectory remains positive with 9M revenue growing to INR 563.2 crores, while Q3 saw a minor dip in revenue to INR 182.5 crores at an EBITDA margin of 31.6%, these figures remain within a healthy operational range as we navigate a period of transition.

The real story this quarter lies in the "engine room" of our segments. Education Solutions has emerged as a standout performer, growing at over 38% in the first 9 months of FY'26 and becoming a much larger part of a corporate identity. Research Solutions continues to serve as a stable anchor, contributing to 61.1% in 9M FY'26. Conversely, Corporate Learning saw a significant pullback. We are treating this as a tactical challenge, proactively moving away from the low-margin legacy work to realign the segment with the broader growth seen across the group.

I would now like to hand over to Sreeni to discuss the developments in our Research Solutions business.

Sreenivas T. V.:

Thanks, Prarthana. Our Research Solutions segment continues to anchor the overall performance, contributing approximately 61.1% of our total revenue in 9M'FY'26, reaffirming its dominant position. We achieved an impressive 16.2% year-on-year organic revenue growth in this segment, excluding AJE, which reflects deep engagement with STAR Accounts and successful new customer acquisition.

Across Research Solutions, Q3 FY'26 was a quarter of meaningful progress, top-line momentum in several areas, and margin expansion as a result of operating leverage. We demonstrated that we can win business at scale and integrate new work at pace. Taken together, Q3 showed a Research Solutions portfolio that is commercially resilient with a strong pipeline, new logos, and credible tech bets.

Strategically, we remain focused on consistently improving performance for existing clients, strengthening relationships, and pursuing organic growth. We are actively attacking the market to acquire new logos and collaborating across the different business units within Research Solutions, from AJE to HighWire, to amplify cross-selling and upselling opportunities, a key strategic imperative is advancing our technology focus areas to ensure non-linear growth and to future-proof our business. This includes completely transitioning to AI-powered workflows, prioritizing AI and agent AI models, removing any dependency on third-party platforms, and scaling DigiCorePro, expediting the road map for the Rubriq model (from AJE), and implementing new measurement frameworks. These concerted efforts would ensure that we continue to deliver engaging content at scale while driving sustained profitability and operational excellence.

I would now hand it over to David to discuss the developments in our Education Business.

David Goodman:

Thank you, Sreeni. The Education Solutions business furthered the momentum in Q3. Revenue grew by 11.3% year-on-year, and EBITDA margin grew to 40.8%. In Q3, we settled into a more confident stride, trading highs and lows for steady, compositionally healthier growth. The content and production business built on earlier momentum with major K-12 and Higher Education customers, converting successful pilots into follow-on waves of product development, legacy overhaul, and international projects, while also opening doors with new institutional and professional learning clients.

In parallel, the digital and accessibility arm delivered excellent growth and expanded its role in complex, high-stakes work-large accessibility conversions, multimedia and interactive remediation, and sizable ePUB programs, demonstrating it can handle volume without sacrificing near-flawless quality and schedule performance.

Across the portfolio, the Education practice leaned into emerging capabilities such as AI-assisted production, and accessibility frameworks, accepting some near-term people and investment costs in order to deepen strategic relationships, diversify its client base, and stand up new service lines, including LMS and web accessibility, and certified accessible formats that are intended to anchor more scalable education-centric growth in FY '27 and beyond.

I would like to now hand it over to Rod to discuss the progress made in our Corporate Learning business.

Rodney Beach:

Thanks, David. Across the Corporate Learning business, Q3 FY'26 was less about headline growth and more about resetting the foundations for a different type of future. MPSi Liberate and MPS Europa both operated below the prior year's budget revenue levels. Still, each spent the quarter tightening cost structures, sharpening commercial focus, and leaning into higher-value capabilities. MPSi drove a dramatic EBITDA recovery by the end of the quarter through disciplined cost controls, higher utilization, and early wins with AI-enabled solutions, while continuing to add new logos and maintain strong client satisfaction.

Liberate delivered its most improved quarter for the year, rebuilding the pipeline health, deepening anchor relationships, and integrating more tightly into the global organization, even as enterprise demand remained patchy and the team doubled down on margin protection and RFP discipline. MPS Europa navigated a tougher revenue and profitability picture but secured strategically important VR, AR, and immersive training projects that began the rightsizing of the organization and the leadership structure to match a more focused, high-impact portfolio. Taken together, Q3 for Corporate was a turning-the-corner moment. Financials are not where they need to be, but our operational discipline, targeted rightsizing, and pivot towards AI, experimental learning, and thought leadership-driven sales is laying the groundwork for more resilient and scalable growth.

I'd like to hand over to Rahul to conclude this opening section.

Rahul Arora:

Thanks, Rod, and thank you for the rich update team.

Q3 was an excellent jolt to a newer management team on the back of several successive quarters of growth. I personally pulled the "Andon Cord," initiating an internal project focused on radical cost optimization. With surgical efficiency, we crushed non-core 'nice to have' expenses. We executed changes quickly to further expand our margins and prepare our balance sheet. While Q3 required a disciplined reset, our forward-looking data is compelling, and MPS is comfortably placed to surpass an EPS of INR 100 in FY'26. We expect to outperform our Q3 benchmarks as our change measures take hold and the synergies from Unbound begin to materialize. We are playing both the short and long game, utilizing this period as a catalyst to build a leaner, platform-led organization. By Q1 FY '27, we have conviction that we'll be operating from a position of significantly enhanced strength.

Now coming to the acquisition of Unbound, On Friday, we informed that MPS North America, LLC, a wholly owned subsidiary of MPS Limited, entered into definitive agreements dated 30 January for the acquisition of 100% stake in Unbound Medicine for a total consideration of USD 16.5 million, subject to customary adjustments payable in accordance with the terms and conditions set out in the SPA and other definitive transaction documents.

The acquisition of Unbound Medicine is a transformative milestone in our evolution. By moving directly to the heart of the medical and nursing ecosystems with established institutional relationships, we've taken full control of the value that we deliver. This is a bold market expansion into a sector anchored by resilient, recurring revenue, and unrivalled customer stickiness. We see immense potential for revenue synergies by introducing Unbound's platforms to our global client network while driving capability expansion through our shared expertise. By making the advanced technical resources of MPS Labs available to support Unbound's proven offerings, we will accelerate our collective innovation and position ourselves as a primary technology-first partner for the global health care community.

Let's now open the call to questions.

Moderator:

Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and 1 on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question.

Ladies and gentlemen, we will wait for a moment while the question queue assembles. Before we take our first question, a reminder to all the participants, we request that you kindly limit your questions to two per participant. If you have a follow-up question, please rejoin the queue again.

We have the first question from the line of Rahul Jain from Dolat Capital. Please go ahead.

Rahul Jain:

Regarding this particular quarter, we saw some bit of moderation on the traction in the Education business side? It is like a part of the trend that there will be some quarters where there could be this kind of volatility, or this is the kind of contract that we have. If you could share your thought process on a sustainable basis, because this has been one of our key growth drivers.

Rahul Arora:

Yes, I'll let David give the more detailed response, but at a high level, I wouldn't say "quarters", I would stick to describing this as singular. This is a one-off quarter. So that's what I'd like to pitch in, and then David, go ahead and answer the question.

David Goodman:

Definitely, the timing of certain projects impact revenue in this specific quarter in the Education business. Year-on-year, we're still headed for double-digit growth. One good example of the work we're doing is to have sustained growth is that we landed another major higher education client in Q3 on a long-term contract, and the expectation of that client is a 7-figure annual spend, which will begin to ramp in Q4. So we're continuing to look for those large sustainable clients that can help us avoid any of those challenges on a project-to-project basis.

Rahul Jain:

Please share some thoughts in terms of the M&A, how this would work, and how this business actually works in terms of customer targeting? Is it a digital acquisition that we chase? Is it more like a B2B format where we try to get clients through a sales team? The subscription charges that I have seen in some of those courses or access are these perpetuums for that specific content.

Rahul Arora: I'll share some high-level information now, and then we're hoping for the deal to close by February 10, 2026. So, currently, we've signed definitive agreements. There are some customary closing requirements. Once that happens, we'll be issuing a press release. Unbound overall is a high-margin, subscription-led business model. Recurring revenue is similar to our platform business. The business is primarily a B2B business focused on medical schools and nursing schools in the U.S. and Canada. There's a large opportunity to expand that into the customer base of MPS, but also expand Unbound globally. There is an element of B2B2C, but that is where the same solution or a configured solution is being sold to individual practitioners through the app universe. That's not the primary business. The primary focus is a B2B business, and the business operates much like an MPS platform, with high recurring revenue and strong institutional stickiness. A significant portion of the customer base consists of medical schools and nursing schools, which further reinforces long-term retention. As I mentioned, I'm happy to share more detailed information in the coming days, but at this stage, I'm speaking at a relatively high level.

Moderator: Thank you. We have the next question from the line of Navid Virani from Bastion Research. Please go ahead.

Navid Virani: I have 2-3 questions. The first one is on the guidance that we provided in the presentation, saying that we will be closing FY'26 with INR 100 EPS. So I was just trying to back calculate a few numbers, and I found that the revenue number that I am arriving at using the existing margins, etc. it comes out to be upwards of 20% for the Q4 revenue growth number. An attached question to that is regarding the overall growth. If I look at the last 2 to 3 quarters, the revenue growth trajectory has been encouraging, excluding AJE. But this quarter seems to be slightly off. So, how should, as investors, one think about the long-term growth trajectory of MPS is what I wanted to understand?

Rahul Arora: I shared before that we don't like giving guidance, but given that Q3 was a bit of a surprise for everyone on this call. We are providing some high-level EPS guidance, which is that we're expecting to cross INR 100 EPS, which, as you can imagine, having known us for a while now, that it's a conservative number. We feel that we comfortably will go north of the INR 100 EPS. In terms of growth, the first 6 months were led primarily by the Research business (excluding AJE), which grew at north of 15%. And for Q1 and Q2, the Education business witnessed exceptionally strong growth of around 50%, which has normalized this quarter to closer to 11%. And Corporate Learning this year has been subdued.

In terms of Q4, Based on the guidance I've shared, we expect a better quarter in Q4 itself; and then next financial year, in terms of broad themes, we're expecting the rapid decline in AJE to stall and FY '27 to be a stable revenue for AJE, which basically means that the Research Solutions business also starts to do better with AJE.

Education business, as David explained earlier, we're expecting to grow in double digits in a stable way. And finally, in the Corporate Learning business, we returned to growth as well as in FY'27. In addition to that, we have the acquisition of Unbound, which we believe is a strong, robust, and growing business that also has revenue synergies with MPS. Hence, we are thinking of Q3 more as a speed bump and Q4 FY'26 and Q1 FY'27 looking solid, and FY'27 in general, looking like an exceptional year.

Moderator: Thank you. We have the next question from the line of Mahesh BP, an Individual Investor. Please go ahead.

Mahesh BP: Which market segment that MPS operates in is seeing a bigger threat to revenue and margins from the AI-related developments?

Rahul Arora: We are seeing AI more as an opportunity. On the Research side of the business, the theme is to drive improved cycle time, as customers look to monetize their content faster. The theme is around speed, efficiency, and cycle times. Within Research, the portion of the business that has possibly been impacted by AI on the revenue side is the AJE business, which is also restricted to the B2C portion, that is one potential aspect. But there, we have our own platform called Rubriq that we are selling. Additionally, a lot of the growth we expect in AJE is expected to come from B2B, which is similar to the rest of the Research Solutions business. Within Education, we actually have not seen the same kind of AI adoption that we've seen within research.

In the Education space, the Customers have seemed to be more risk-averse. We have seen some discussion around speed and efficiency, as well as leveraging AI to drive speed and efficient workflows and reduce costs, specifically speaking to the Education space. We've seen that whenever customers have done that, they've consolidated the supply chain and given more work to scaled players like MPS. While it may have been a disadvantage for some of the smaller fringe players because they get knocked out, for players like MPS, it has been a boost. So, to give you a couple of examples - on the translation side, traditionally, customers would go to the specialized language companies based in the region that spoke the language, and now the whole translation work has been outsourced to us for a key customer based on AI-enabled workflow.

On the Corporate Learning side of the business, we are seeing less demand for that because of the type of work that we do, and we specifically have more demand for more complex type of development. The most straightforward development that others provide is now not being done as actively outside the organization. Most enterprises are handling that internally. But overall, we are seeing it as an opportunity because what it is doing is it is consolidating a highly fragmented market, and to the benefit of scaled players like MPS.

Moderator: Thank you. We have the next question from the line of Ravi Naredi from Naredi Investments. Please go ahead.

Ravi Naredi: Sir, due to the U.S. dollar, euro, and pound rising drastically versus the Indian currency, will it improve the margin in the future?

- Rahul Arora:** Yes, absolutely. It's accretive for us.
- Ravi Naredi:** We always have in mind to raise equity through QIB. I advise you to have a good amount of money this year. So keep in kitty instead of paying higher dividends, so the question of QIB doesn't arise.
- Rahul Arora:** Absolutely agree. We are not planning to use any equity financing. We will be using debt as an option, and later this week, we'll be sharing more information on what that debt looks like. So that disclosure will be filed, and you'll have that information when the disclosure is filed. But we're not looking to do any equity financing.
- Ravi Naredi:** How much do we remain in surplus after buying Unbound Medicines?
- Rahul Arora:** Once we file the disclosure, you'll have all that information.
- Moderator:** Thank you. We have the next question from the line of Sucrit D. Patil from Eyesight Fintrade Private Limited. Please go ahead.
- Sucrit D. Patil:** My first question to Mr. Rahul is, as MPS works with global leading clients across services and platforms, how does management think about balancing deeper engagement with existing clients versus adding new clients? What changes in client spending behaviour or deal structures would prompt you to adjust this focus? How do you internally decide when to shift that balance?
- Rahul Arora:** At MPS, depending on the business segment, the philosophy is that there are certain partnerships that are what we call STAR partnerships. These partnerships are determined if a customer hits 2 out of 3 criteria. The first criteria is current size of business. The second criteria is future potential, and the third criteria is strategic intent. For example, if the customer is Apple, they would fall under the third category. As long as the customer meets 2 out of these 3 requirements, they immediately become a STAR customer. A STAR customer gets an executive sponsor from the senior management team of MPS. They get a dedicated account director, a communication contact, and an operational sponsor.
- In addition to the full teams, the delivery teams that sit behind a STAR account are informed that they are a STAR account because this requires collaborative effort. We do monthly governance, and we do quarterly business reviews. We make sure that we are man-marking the entire customer organization as well as interacting not just tactically, but also more strategically through forums such as innovation labs and workshops. We also bring these customers together. Different STAR accounts also come together in different forums. So there's a whole framework at MPS around STAR accounts. When we started this journey, we had 10 STAR accounts that we scaled to 30, and now we are almost in tripled that across the 3 segments, that is, Research, Education, and Corporate.

Typically, what we have seen that in a STAR account over a 2- to 3-year period, the lines of business that we do with them doubles. For example, when we started the first phase of STAR accounts, our average cross-sell index, which is the number of business units at MPS engaging with a STAR account, was 2.5x. After 2 years, that number jumped to 5.5, which means that 5.5 business units, on average, out of 15 business units were engaging with STAR accounts. We saw a phenomenal jump through this initiative, and that's what we're driving forward is entering into a strategic partnership where the respective customer and MPS are aligned on vision, strategy, and goals. To make sure that they are consuming all that we can supply of MPS, working backwards from their problem statement. Also, exposing them to other MPS STAR accounts so that it's not just learning from the partnership, but our overall STAR account framework.

In terms of net new customers, we approach it differently, which depends on the market. We are probably the most aggressive in acquiring net new customers within the Corporate Learning market, given the deal sizes and the nature of the business. At the overall MPS customer base, given our size as a Company, we have over 400 B2B customers. So for us, cross-selling and going deeper within the existing customer base is the dominant strategy.

Sukrit D. Patil:

Beyond the reported margins and cash flow, what are the key early signals you track internally, maybe project mix, platform usage, or billing pattern, or anything particularly that you have to assess margin visibility and cash flow quality before they show up on the balance sheet. Just want to understand your view on how you track all these things internally?

Prarthana Agarwal:

In terms of tracking, I think we have our internal matrices wherein we track the cost and margins internally for each of the businesses, and whenever we see signals wherein we see a reduction, like we have seen AJE, where we have proactively taken measures in terms of restructuring, etc. So, I think internal tracking, we have our monthly systems wherein we track the margins and the revenue by BU, sub-BUs internally, and we take corrective actions on a timely basis and on a real-time basis.

Moderator:

Thank you. We have the next question from the line of Vikas Mistry from Moon Shot Ventures. Please go ahead.

Vikas Mistry:

I have a slightly long-term question. So as you alluded, due to artificial intelligence, a lot of small companies are going away, and you are trying to get that pie of it. But at the same time, some of the larger companies are also increasing their capabilities because of that, and they can also enter new areas. So does the evolution of AI reduce their long-term cash flows and break the longevity of the cash flows. So how do you see on one side, you're getting slightly benefited, as you alluded. And on the other side, there may be a chance that other players can come into the market, and they can reduce the longevity of your cash flows?

Rahul Arora:

Sreeni, I'm going to bring you in. And the reason I want to bring Sreeni in because he is a new entrant into our industry. He's come in a senior position. He's the Chief Operating Officer of the Company. He has the perspective of when outsiders come in, what does it feel like. Also, the perspective on what his view of the MPS value proposition is. But the short answer to your question is that outsiders have tried before. What is different about MPS and unique about MPS is that we bring the domain expertise; we've been around for over 55 years, and we have been able to combine our excellent domain expertise with technology.

Hence, our moat lies in the combination of subject matter expertise, domain knowledge, and technology. If you're living and breathing this business, you understand this moat intuitively. Sreeni, you can come in and share your thoughts.

Sreenivas T.V.:

Sure, Rahul. As much as I would like to get on the threat bandwagon, it's not an overstatement when we say that we view the AI transformation as a glass-half-full opportunity rather than a glass-half-empty threat. And the main reason for that is we are probably the only publicly listed, independently owned Company of our size that has the capabilities and has demonstrated the ability to service the entire value chain for our clients end-to-end. And when people talk about the impact of AI and its ability to transform client businesses, they don't fully understand that the transformation cannot be executed in parts of the value chain. It has to be executed across the entire value chain, which is our advantage because we can actually help clients optimize the whole rather than address parts, which will require the bottlenecks to move into areas that they don't control.

I feel that we have a significant moat, especially because our clients mainly maintain the truth infrastructure around research integrity and the validity of what is getting published. In that sense, they need partners who have the domain expertise, and it has been demonstrated again and again with the advent of AI, specific technical capabilities are becoming more and more commoditized, and the domain expertise is getting valued more and more. We are in a prime position to take advantage of it.

Rahul Arora:

If we get specific, we've just come fresh off a transaction, and we've recently entered into definitive agreements to acquire Unbound. So if we get super specific and say, can OpenAI or Anthropic, with their language capabilities, for example, disrupt Unbound? That's something we extensively covered in the diligence of the acquisition of Unbound.

In a specific case, will AI adversely impact Unbound? The answer is no. This requires some understanding of the domain, and from a clinical perspective, there's a huge trust gap that Unbound is solving for. The general LLMs that like OpenAI's model, its problematic, meaning they're prone to hallucinations. They lack the verified peer-review basis on which high-stakes medical decisions are taken, and no medical school or nursing school, for that matter, will accept that kind of liability. So first, Unbound has exclusively to the content. They own or license gold standard clinical guides. Second, they've integrated everything into their workflow beautifully. So it's embedded already in the workflow for over 480 institutions, and with a retention rate of 97%; the switching cost of moving away from a stand-alone chatbot is also not possible. Forget a full-blown LLM switch. And finally, to supercharge the data, Unbound has integrated AI that

not only thinks within the guardrails of the library but also is a legally indemnified, evidence-based intelligence layer that AI simply cannot safely replicate.

So again, the domain piece is super important here, and you have to understand that the value creation is not around language. The value creation here is around sound science, and we are so embedded in the workflows that the switching cost is simply impossible.

Vikas Mistry:

If in today's environment, we are virtually just making things faster, then the growth should be much faster in the coming times. If we do not grow at a materially higher rate, 15% to 20%, then what could be the handicap that will pull us on downward direction, which we are seeing as of now, but we feel that going forward, it should be growing materially higher? This is a once-in-a-generation opportunity wherein we are getting the fruits of the AI, and we are deeply embedded in the workflows, and we are suitably placed to get the whole market share with us. If we are not able to grow, what can be the conditions that can be...?

Rahul Arora:

No, I don't see this as a zero-sum game. This whole opportunity will only be unlocked through deep collaboration, perseverance, and iteration. This is not some windfall gain that's going to happen in a winner-takes-all type of setup. Hence, we don't see it that way, at least for our domain. I'm not speaking for all markets. We see this as a highly collaborative, iterative, and partnership-led process that has to be done between the customer and us, and in some cases, with some of our competitors and other stakeholders in the value chain. For example, we are constantly integrating with competitors in our products as well. This is not a black-and-white kind of situation.

Moderator:

Thank you. We have the next question from the line of Krushi Parekh from BugleRock PMS. Please go ahead.

Krushu Parekh:

I'm not particularly sure about how relevant this is, but we have seen that the university funding in the U.S. was curtailed materially over the last 1 year and also is expected to continue. So specifically on that particular front, how do we see this kind of budget curtailment impacting our volumes on, say, the Research side, not immediately, but say, over the next 1, 2, or 3 years. And what are we specifically doing to tackle that, if at all?

Rahul Arora:

If you look at our overall geographic concentration, the U.S. is now less than 50%, after Unbound will pick up a little bit more. We are monitoring global spends as well. We haven't had any major issues with our customers in terms of spending coming down. Potentially, it has affected the marketplace outside of our operating area, but specifically, it has not affected us. Also, for us, the big bet is less about acquiring net new customers. It's more about going deeper within the existing customer base. We are one of the few companies in the industry that has such a small percentage of North American revenue. You've seen this quarter itself, the U.K., Europe revenues have picked up quite a bit. Second, with our existing customer base, we do not have seamless exposure, and third, we have over 400 B2B customers. At least on the Research and Education side of the business, it's not about acquiring net new customers. It's more about going deeper with it.

Krushik Parekh: It's been some time since we have spoken about combining our sales efforts, providing all the opportunities, and providing all our offerings to the customers. So where are we on that journey? And what are the other initiatives that we have currently taken up to overcome any challenges that we have to integrate all the sales efforts?

Rahul Arora: Yes. If there is one priority that needs to be addressed first - scaling the effort. We have validated this with 10 customers, then 30 customers, and now 50 customers, demonstrating consistent results at each stage.

Now we're going from 50 to 100; it's about execution. In terms of execution, it's about building the operational efficiency as we have in our service delivery, building the same operational efficiency and rigor in account management, business development, and how orders flow from sales to operations. It's mostly an execution challenge. Our strength as a Company is execution. Our value proposition is operational excellence. We are bringing some of the same themes to this scaling up. And there are no challenges as such. But yes, naturally, any Company striving to grow at the pace, we do have growing pains.

Moderator: Thank you. We have the next question from the line of Parimal Mithani from Credential Investments. Please go ahead.

Parimal Mithani: I just wanted clarification. You mentioned to an earlier participant about raising debt. What is it regarding that?

Rahul Arora: Yes. So, as I shared, we've entered into definitive agreements to acquire Unbound for \$16.5 million. So there is going to be some debt involved in the transaction. Once we file the disclosure, you'll have all the details in the public domain. We haven't filed the disclosure yet.

Moderator: Thank you. We have the next question from the line of Madhur Rathi from Counter Cyclical Investments. Please go ahead.

Madhur Rathi: I'm confounded that you are giving guidance of surpassing INR 100 EPS for FY'26, whereas if you see our quarter ending September '25, we already were doing a trailing 12-month EPS of INR 104. So now, when you say that we will cross INR 100 EPS for the full financial year, I hope we are not expecting a de-growth in the fourth quarter, and in the last call, you also mentioned that you expected a further increase in margins in the second half, but it doesn't seem that they have come. I think there is some issue with the eLearning that this division has gone back over 3 years back. I mean, if you see the performance, even 3 years back, we were doing significantly more top line as well as margins than what we are doing today. And in between, there was this Liberate acquisition also. So I mean, if you could just shed some light on all these points. Firstly, we were already doing INR 104 EPS in the trailing 12 months till the second quarter of this financial year.

Rahul Arora: We are comfortably placed to cross an EPS of INR 100. That's all I shared, and there was some concern from people who attend these calls that there's going to be a miss on that number. We normally don't like to give guidance, and that's why we've given tight conservative guidance. There are a bunch of numbers that are bigger than INR 100, but that's all we can share at this point in time.

Madhur Rathi: We have gone back over 3 years back, if you compare our quarterly numbers, and in between, we did this Liberate acquisition also in the same space. Why is it taking so much time for the numbers to pick up?

Rahul Arora: At a high level, in terms of the Corporate Learning business, and I'll bring in Rod to talk about what the prospects look like right now. Earlier this year, we took an introspective look at how the Corporate Learning business is performing, and we realized that we are operating in 3 silos. We have an entity in Switzerland, one in India, and another in Australia --- all doing their own thing. And we saw that from an operational efficiency standpoint, the Australian entity was performing far better than its peers, both in terms of productivity and in terms of margins. Within the small region of Australia, Liberate also has a solid market share. Rod and I spoke; our final buyout of the stub left in Liberate was coming up, and Rod was interested in playing a larger role within the overall Corporate Learning business. We decided together that it was best for him to run the Corporate Learning business as the President, bring all these 3 entities together, and go after the market in the managed services play that we were looking to pursue. We're starting to see some early signs of success in the Corporate Learning business. But Rod, please come in and describe what you're seeing already.

Rodney Beach: Yes. Well, it's a phrase, strength is in numbers. The opportunities that we have to be able to do the upsell and cross-sell between the different entities are far greater than us all trying to do our own separate things. So systems, platforms, technologies, innovations, geographies, people, skills, everyone was in a silo. So now the focus has been to align those. We're making good progress on those. And going back to that strength in numbers- AI is disrupting that Level 1 low-end market space. The organizations are sitting there wondering how it's going to impact them and what they can do in their own space with generative AI, automation, efficiencies, and content generation. But now that's created an opportunity for us bigger in size for us now to go for the managed learning services.

So, as organizations are planning for AI automation, they want to play it safe, and managed learning services are going to be the next big thing that's going to take off, and we've positioned ourselves strategically to take that. We've got some big opportunities now, we're hoping to close soon, and then we're going to be well positioned to be taking on some large projects in the managed learning services space, off the back of the uncertainty of the market that is sitting watching to see what's going to happen.

This is a strategic play we're going to have in that space. But also, the other opportunity that we see is the higher-end elements. Dropping off that Level 1 type of work and focusing on the Level 3 and some of the AR, VR, and AI agentic bots and personalized learning pathways. It is a huge and exciting pivot in the market, and we believe we're at the forefront of that, and uniting the

team just means it's going to make it easier for us to get those bigger targets rather than chasing small value one-off eLearning projects.

Moderator: Thank you. We have the next question from the line of Rahul Jain from Dolat Capital. Please go ahead.

Rahul Jain: Just two things. Firstly, of this new M&A, are we expected to see our revenue become a subset of Education revenue, or will it spread across the three businesses? And secondly, any color on AG part of the business, how we expect growth and margin in this business from a directional point of view?

Rahul Arora: Yes. Rahul, I'm also to take a minute to also answer the previous gentleman's question, if that's ok. Prarthana just gave you a data point that I did not share. I quickly answer that, I'll come to your question then, and Christine, I'm going to bring you in on the AJE question. So, for that question on EPS, we also have to look when we're looking at EPS, the impact of the new Labour Code related adjustments; which is about INR 3.5 per share. We are also dealing with that negative. When you're computing the possible EPS for Q4 and for FY '27, do remember there's a subtraction of negative INR 3.5 coming from the Labour Code exceptional item. That's one point.

For the second point, let me bring Christine to talk about AJE, and then Rahul, and I'll answer your second question. That's one of the data questions. Christine, you want to talk a bit about AJE, just give a color on what's going on, what's looking good? What have been the achievements this year? What does the next year look like?

Christine Miranda: We're expecting FY '27 to be the first year for AJE to show some stable revenue. This is along the lines of the B2B partnerships. We have newly been selected as a preferred vendor for one of the top publishers, top international publishers. So we're very happy about that. We're seeing more interest in the solutions that we are providing to publishers like the Journal editorial Office and peer review services. So that's going to be another line of growth that we're expecting to see. And we are in conversation with others such as university presses. So that's on the B2B side.

On the B2C side, we've already started expanding our suite of services that are intended to cater to more evolving researcher needs. This includes a more competitively priced scientific editing service, plagiarism check, bigger formatting, and services that are more sought after in the current researcher space.

We're also experimenting with more competitive pricing now that we've seen some improvements in costs. So we're seeing some increase in the order numbers and value for services that we are able to price more competitively. And the third aspect is that B2C growth is going to come from value addition to existing services. So we're expecting to see an overall stable revenue year for AJE in FY2027.

Rahul Arora: On the classification of revenue and segments for Unbound, it will mostly likely be in the Education segment. We will basically report these numbers within Education. There is a tiny piece of revenue, a smallish piece of revenue that will potentially go to the research segment, but mostly Education, some Research, and no Corporate.

Rahul Jain: Fair enough. And thanks for the colour on AJE.

Moderator: Thank you very much. Ladies and gentlemen, we will take that as a last question. And that concludes the question-and-answer session. I now hand the conference over to Mr. Rahul Arora for the closing comments. Thank you, and over to you, sir.

Rahul Arora: Thank you, everyone, for your active participation in our earnings call for Q3. We appreciate all your thoughtful questions. Your unique outside-in perspective is helping us learn and improve with every call. I also want to thank all our stakeholders for their continued respect and support. This has been a remarkable journey and wouldn't have been possible without you, and we're looking forward to supercharging scale for MPS. Thank you for your continued support, feedback, and partnership mindset.

Moderator: Thank you very much. On behalf of MPS Limited, that concludes this conference. Thank you for joining us today, and you may now disconnect your lines.

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